

Message

Sent: 3/23/2018 4:32:19 PM
To: Stein, Mark [Stein.Mark@epa.gov]; Papadopoulos, George [papadopoulos.george@epa.gov]; Vergara, Olga [vergara.olga@epa.gov]; Puleo, Shelley [puleo.shelly@epa.gov]; Murphy, Thelma (Hamilton) [murphy.thelma@epa.gov]
CC: change in ownership
Subject: Fw: PSNH Divestiture of Hydroelectric Generating Stations - Transfer of NPDES Permits

Attorney Client / Ex. 5

From: Bersak, Robert A <robert.bersak@eversource.com>
Sent: Friday, March 23, 2018 11:47 AM
To: Stein, Mark
Cc: Webster, David
Subject: PSNH Divestiture of Hydroelectric Generating Stations - Transfer of NPDES Permits

Mark:

I am following up on this morning's voice mail message.

You and your colleagues were very helpful regarding the transfer of NPDES permits when Public Service Co. of New Hampshire (PSNH) recently sold its fossil-fueled generating stations, including Merrimack and Schiller.

We are now in the home-stretch of selling PSNH's hydroelectric generating stations. This hydro sale is also required under New Hampshire law. The hydro sale was part of the New Hampshire Public Utilities Commission's auction process.

The hydro assets were purchased by a different buyer – Hull Street Energy (HSE). The Purchase and Sale Agreement between PSNH and HSE is available on the NHPUC website at:
https://puc.nh.gov/Regulatory/Docketbk/2017/17-124/LETTERS-MEMOS-TARIFFS/17-124_2017-10-12_EVERSOURCE_HYDRO_PSA.PDF

Like the fossil plant buyer, HSE has created separate LLCs for each of the hydro assets.

We are selling nine hydro stations:

1. **Amoskeag Station** 18 MW hydroelectric generation facility located in Manchester, New Hampshire
2. **Ayers Island Station** 9 MW hydroelectric generation facility located in New Hampton, New Hampshire

3. **Canaan Station** 1 MW hydroelectric generation facility located in Canaan, Vermont
4. **Eastman Falls Station** 7 MW hydroelectric generation facility located in Franklin, New Hampshire
5. **Garvins Falls Station** 12 MW hydroelectric generation facility located in Bow, New Hampshire
6. **Gorham Station** 2 MW hydroelectric generation facility located in Gorham, New Hampshire
7. **Hooksett Station** 2 MW hydroelectric generation facility located in Hooksett, New Hampshire
8. **Jackman Station** 4 MW hydroelectric generation facility located in Hillsborough, New Hampshire
9. **Smith Station** 18 MW hydroelectric generation facility located in Berlin, New Hampshire

As noted, one of these stations, Canaan, is located in Vermont, and is subject to Vermont water permitting requirements. Hence, there is no NPDES for that station.

Of the remaining eight stations, all but Smith and Jackman fall under New Hampshire General NPDES Permit No. NHG360000 for Hydroelectric Generating Facilities (HYDRO GP). These permits expired on December 7, 2014, and have been administratively continued.

Smith Station is covered by NPDES Permit No. NH0001481. That permit has also expired and has also been administratively continued.

Jackman Station is covered by NPDES Permit No. NH0001431. That permit has also expired and has also been administratively continued.

We are awaiting final regulatory approval for the sale from the Federal Energy Regulatory Commission (FERC). We expect FERC to issue the requisite approval in the next week or so. A date for closing on the sales cannot be determined at this time, as the date of the FERC approval is yet unknown, and there will be a 30-day rehearing period that may have to run. (There is one intervenor in the FERC process, the City of Berlin, NH. If Berlin waived its right to rehearing, that 30-day delay could be avoided.)

So, like the fossil generation sale, we will not know the sale date until a few days before closing. Hence, we propose that we use the same method for transfer of these NPDES permits as we used for the transfer of the fossil generation permits.

We would like to have a call with you to discuss. I will likely have our outside counsel from Balch & Bingham take care of the administration of this process. I would also have counsel for the Buyer on the phone, so that we all can discuss and understand how best to effectuate these transfers.

Thanks again for your continued help.

Look forward to hearing from you.

BOB
ROBERT A. BERSAK
Chief Regulatory Counsel
Eversource Energy
780 N. Commercial St. | P.O. Box 330 | Manchester, NH 03105-0330
603-634-3355 | Fax 603-634-2438 | Robert.Bersak@Eversource.com

From: Stein, Mark [mailto:Stein.Mark@epa.gov]
Sent: Monday, December 11, 2017 8:33 AM
To: Linda T. Landis <linda.landis@eversource.com>; Webster, David <Webster.David@epa.gov>
Cc: Robert A. Bersak <robert.bersak@eversource.com>
Subject: RE: Merrimack Station, Schiller Station, Newington Station NPDES Permit Transfer Request

EVERSOURCE IT NOTICE - EXTERNAL EMAIL SENDER: Do not click on links or attachments if sender is unknown or if the email is unexpected from someone you know, and never provide a user ID or password. Forward suspicious emails to SpamFeedback@eversource.com

Linda –

Thanks for your kind words. The call was helpful to us as well and we appreciate you and your colleagues making the time for it in your very busy schedules.

I also am glad that we've been able to maintain a good working relationship despite dealing with many challenging issues in recent years, and I appreciate your contribution to that working relationship. As a result, when our clients have had complementary positions, we have been able to cooperate very well, and when our clients have had contrary positions, we've kept it a professional issue and not a personal one. I think that approach has best served our respective clients.

- Mark

From: Linda T. Landis [mailto:linda.landis@eversource.com]
Sent: Friday, December 01, 2017 3:01 PM
To: Stein, Mark <Stein.Mark@epa.gov>; Webster, David <Webster.David@epa.gov>
Cc: Robert A. Bersak <robert.bersak@eversource.com>
Subject: Re: Merrimack Station, Schiller Station, Newington Station NPDES Permit Transfer Request

Thank you, Mark and David! That was extremely helpful guidance you provided on our call this afternoon as we move forward with this challenging divestiture process. And while I am expressing my appreciation for your help, let me add that despite the different positions we have taken on various issues through the years, you have both always acted as highly professional, fair-minded regulators— and patient! I know I have sorely tested Mark's patience with more than a few FOIA requests but any aggravation or irritation has never been expressed. So, thank you.

Please don't hesitate to give me or Bob (603-634-3355) a call if you have any questions. Linda

Get [Outlook for iOS](#)

From: Robert A. Bersak
Sent: Friday, December 1, 2017 1:44:57 PM

ED_002514_00013561-00003

To: Stein, Mark; Linda T. Landis
Cc: Webster, David
Subject: RE: Merrimack Station, Schiller Station, Newington Station NPDES Permit Transfer Request

Mark:

Here is Schedule 3.11(a) of the Purchase and Sale Agreement between PSNH and Granite Shore Power.

Thanks for your time and assistance!

BOB
ROBERT A. BERSAK
Chief Regulatory Counsel
Eversource Energy
780 N. Commercial St. | P.O. Box 330 | Manchester, NH 03105-0330
603-634-3355 | Fax 603-634-2438 | Robert.Bersak@Eversource.com

From: Stein, Mark [<mailto:Stein.Mark@epa.gov>]
Sent: Thursday, November 30, 2017 8:31 AM
To: Linda T. Landis <linda.landis@eversource.com>
Cc: Robert A. Bersak <robert.bersak@eversource.com>; Webster, David <Webster.David@epa.gov>
Subject: RE: Merrimack Station, Schiller Station, Newington Station NPDES Permit Transfer Request

"EXTERNAL EMAIL SENDER: Do not click on links or attachments if sender is unknown or if the email is unexpected from someone you know, and never provide a user ID or password."

Sure. We'll look for your email with a call-in number.

Thanks!

From: Linda T. Landis [<mailto:linda.landis@eversource.com>]
Sent: Wednesday, November 29, 2017 10:02 AM
To: Stein, Mark <Stein.Mark@epa.gov>
Cc: Robert A. Bersak <robert.bersak@eversource.com>; Webster, David <Webster.David@epa.gov>
Subject: Re: Merrimack Station, Schiller Station, Newington Station NPDES Permit Transfer Request

That works. Thank you so much.

How about if I send out the call-in number since we have a few individuals not on this email who would like to join the call?

Get [Outlook for iOS](#)

From: Stein, Mark <Stein.Mark@epa.gov>
Sent: Wednesday, November 29, 2017 8:31:46 AM
To: Linda T. Landis
Cc: Robert A. Bersak; Webster, David
Subject: RE: Merrimack Station, Schiller Station, Newington Station NPDES Permit Transfer Request

"EXTERNAL EMAIL SENDER: Do not click on links or attachments if sender is unknown or if the email is unexpected from someone you know, and never provide a user ID or password."

Hi Linda –

Thanks for your prompt response. I realize your need for urgency on this.

How about we talk on Friday at 1:30 pm EST? I will plan on that time, unless I hear differently from you.

I can get a conference line, if you like. If that works, I'll send out the information about the call-in number later today or tomorrow.

- Mark

From: Linda T. Landis [<mailto:linda.landis@eversource.com>]
Sent: Tuesday, November 28, 2017 5:59 PM
To: Stein, Mark <Stein.Mark@epa.gov>
Cc: Robert A. Bersak <robert.bersak@eversource.com>
Subject: Re: Merrimack Station, Schiller Station, Newington Station NPDES Permit Transfer Request

Hi Mark. Thank you for your response. I think a call to address any questions you may have is an excellent idea, and we appreciate the suggestion. I checked with folks on the original distribution list regarding availability this week. Thursday after 3:00 EST or Friday after 12:00 EST work. However, we all feel it is important for this call to take place as soon as possible so if these two options do not work with your schedule, just let me know. Please feel free to propose any alternative times that work better with your schedule — we will do our best to make it work. Linda

Get [Outlook for iOS](#)

From: Stein, Mark <stein.mark@epa.gov>
Sent: Tuesday, November 28, 2017 10:47 AM
Subject: RE: Merrimack Station, Schiller Station, Newington Station NPDES Permit Transfer Request
To: Linda T. Landis <linda.landis@eversource.com>
Cc: Robert A. Bersak <robert.bersak@eversource.com>, Tracy, Tim <ttracy@balch.com>, Van Slyke, David B. <dvanslyke@preti.com>, Webster, David <webster.david@epa.gov>

"EXTERNAL EMAIL SENDER: Do not click on links or attachments if sender is unknown or if the email is unexpected from someone you know, and never provide a user ID or password."

Hi Linda –

Thank you for your letter of November 10, 2017, regarding transfer of the NPDES permits for Merrimack Station, Schiller Station, and Newington Station (collectively, "the Facilities") to the future new owners of the facilities. I wanted to follow up with you regarding the request for an "automatic transfer" of the permits.

I think you have correctly pointed to 40 C.F.R. § 122.61(b) as specifying the conditions under which an automatic transfer of an NPDES permit can take place. The pre-conditions for an automatic transfer include

that the current permittee notifies the permitting agency at least 30 days prior to the proposed date for the transfer of permit responsibility, see 40 C.F.R. § 122.61(b)(1), and that the notification “includes a written agreement between the existing and new permittees containing a specific date for transfer of permit responsibility, coverage, and liability between them” 40 C.F.R. § 122.61(b)(2). Your letter indicates that closing on the transfer of ownership of the Facilities is likely to occur by the end of December 2017 and that you will inform us of the specific date when it becomes known to you. Please do be sure to provide notice of the exact date as soon as it is known to you.

In addition, in order to satisfy the requirement of 40 C.F.R. § 122.61(b)(2) regarding provision of “a written agreement between the existing and new permittees containing a specific date for transfer of permit responsibility, coverage, and liability between them,” your letter provided a link to the Purchase and Sale Agreement (PSA) governing the sale of the Facilities to the new owners. You indicate that the PSA “explains and allocates permit responsibility, coverage, and liability between PSNH and Granite Shore during and upon completion of the divestiture process.” I have reviewed the PSA and have a couple of follow-up questions concerning the allocation of permit responsibility. I have not spotted any problems at this time. I just want to make sure that I understand the terms of the agreement that are relevant to this issue.

Therefore, I am proposing that we have a conference call at your earliest convenience. I suspect 30 minutes would suffice, but perhaps we can schedule it for an hour just in case.

Please let me know if a conference call makes sense to you and propose some times that might work for you all.

Thank you for your cooperation.

- Mark

From: Linda T. Landis [<mailto:linda.landis@eversource.com>]

Sent: Friday, November 10, 2017 9:57 AM

To: Stein, Mark <Stein.Mark@epa.gov>

Cc: Robert A. Bersak <robert.bersak@eversource.com>; Tracy, Tim <TTRACY@balch.com>; Van Slyke, David B. <DVanSlyke@preti.com>

Subject: Merrimack Station, Schiller Station, Newington Station NPDES Permit Transfer Request

Good morning, Mark. As we discussed earlier this week, I am attaching the NPDES permit transfer request for Merrimack Station, Schiller Station, and Newington Station (a hard copy is being sent to you as well). Please let me know if you need additional information. We are also happy to meet with you if it would facilitate the process. Thank you for your attention to this matter. Linda

Linda T. Landis
Senior Counsel
Eversource Energy
780 North Commercial Street
Manchester, NH 03101
603-634-2700

This electronic message contains information from Eversource Energy or its affiliates that may be confidential, proprietary or otherwise protected from disclosure. The information is intended to be used solely by the recipient(s) named. Any views or opinions expressed in this message are not necessarily those of Eversource Energy or its affiliates. Any disclosure, copying or distribution of this message or the taking of any action based on its contents, other than by the intended recipient for its intended purpose, is strictly prohibited. If you have received this e-mail in error, please notify the sender immediately and delete it from your system. Email transmission cannot be guaranteed to be error-free or secure or free from viruses, and Eversource Energy disclaims all liability for any resulting damage, errors, or omissions.

This electronic message contains information from Eversource Energy or its affiliates that may be confidential, proprietary or otherwise protected from disclosure. The information is intended to be used solely by the recipient(s) named. Any views or opinions expressed in this message are not necessarily those of Eversource Energy or its affiliates. Any disclosure, copying or distribution of this message or the taking of any action based on its contents, other than by the intended recipient for its intended purpose, is strictly prohibited. If you have received this e-mail in error, please notify the sender immediately and delete it from your system. Email transmission cannot be guaranteed to be error-free or secure or free from viruses, and Eversource Energy disclaims all liability for any resulting damage, errors, or omissions.

This electronic message contains information from Eversource Energy or its affiliates that may be confidential, proprietary or otherwise protected from disclosure. The information is intended to be used solely by the recipient(s) named. Any views or opinions expressed in this message are not necessarily those of Eversource Energy or its affiliates. Any disclosure, copying or distribution of this message or the taking of any action based on its contents, other than by the intended recipient for its intended purpose, is strictly prohibited. If you have received this e-mail in error, please notify the sender immediately and delete it from your system. Email transmission cannot be guaranteed to be error-free or secure or free from viruses, and Eversource Energy disclaims all liability for any resulting damage, errors, or omissions.

This electronic message contains information from Eversource Energy or its affiliates that may be confidential, proprietary or otherwise protected from disclosure. The information is intended to be used solely by the recipient(s) named. Any views or opinions expressed in this message are not necessarily those of Eversource Energy or its affiliates. Any disclosure, copying or distribution of this message or the taking of any action based on its contents, other than by the intended recipient for its intended purpose, is strictly prohibited. If you have received this e-mail in error, please notify the sender immediately and delete it from your system. Email transmission cannot be guaranteed to be error-free or secure or free from viruses, and Eversource Energy disclaims all liability for any resulting damage, errors, or omissions.

This electronic message contains information from Eversource Energy or its affiliates that may be confidential, proprietary or otherwise protected from disclosure. The information is intended to be used solely by the recipient(s) named. Any views or opinions expressed in this message are not necessarily those of Eversource Energy or its affiliates. Any disclosure, copying or distribution of this message or the taking of any action based on its contents, other than by the intended recipient for its intended purpose, is strictly prohibited. If you have received this e-mail in error, please notify the sender immediately and delete it from your system. Email transmission cannot be guaranteed to be error-free or secure or free from viruses, and Eversource Energy disclaims all liability for any resulting damage, errors, or omissions.